

EXCLUDED

BUDGET

8 APR 1957

My dear Mr. Dulles:

We are preparing plans for the 1959 fiscal year budget and also need your best estimates as to plans and forecasts for 1960, 1961, and 1962. For planning purposes it seems desirable to set the 1959 budget totals significantly lower than those of the 1958 budget as presented to Congress. This applies both to new obligational authority and estimated expenditures, and will be necessary if we are to consider recommending some tax reductions a year from now effective for fiscal 1959.

It is also desirable that the general level of expenditures be held at about the current level over the following three years. Some increases will, of course, be found necessary during this period. It is therefore essential that a searching review be made of existing programs and advantage taken of every possibility for reductions. In submitting your preliminary estimate for the four-year period, please identify those areas in which you feel that some increases are necessary and also those other areas in which reductions may be possible.

Your statements need not be prepared in great detail but should set forth major changes in your principal programs. Such summarization will allow sufficient time for assembly and discussion before decisions are reached regarding the administration policy for this period. We would appreciate receiving your preliminary estimates for both new obligational authority and expenditures by May 1. After determination of administration policy, necessary revisions in the estimates for this whole period can be prepared and submitted to the Bureau of the Budget by June 1 as the basis for discussion and the establishment of specific ceilings and targets for the 1959 budget.

Instructions as to the form of the preliminary estimates and the procedure and time schedule for handling them are being communicated to your budget officer. We are planning to complete the establishment of ceilings and targets before June 30, 1957.

Sincerely yours,

Director

Honorable Allen W. Dulles
Director, Central Intelligence Agency
Washington 25, D. C.

Next 1 Page(s) In Document Exempt